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WABASH WARREN

CHAIRMAN BUYER OPENING STATEMENT ON UNDERSTANDING RETENTION ISSUES NAVAL STATION NORFOLK

This is the first hearing conducted by the Subcommittee on Military Personnel this year. I suspect that when we look back on this day after the National Defense Authorization Act for Fiscal Year 2000 has been signed into law, we will consider this hearing the most important and productive of the year.

Our objective today is to better understand the reasons why military retention has become so challenging. To address this issue, we are fortunate to have the real retention experts to testify today—the men and women serving our nation in uniform, and their families.

I know I speak for all the members of the Subcommittee when I say that it is always a special privilege to hear the views of service members and we are grateful for the time you will share with us. In that regard, I would like to extend a special thanks to the spouses for being here today—their presence is above and beyond the call of duty.

I can assure you that your views are vitally important to this Subcommittee and that your testimony will help shape the course of pay and retirement programs in the Congress. We want to understand the issues that are causing people to leave the military and, perhaps more importantly, we want your advice and counsel on changes that need to be made to reverse negative retention trends.

The retention problems in the military are real. Navy retention is 10 percentage points below force sustaining rates in virtually every enlisted and officer retention category. The Chief of Naval Operations considers retention his number one immediate problem. The Air Force is below force sustaining objectives in every category of enlisted retention for the first time in 18 years. The Army and the Marine Corps are spending millions of additional dollars to bolster reenlistment bonus programs to achieve retention objectives that are increasingly more difficult to attain. All the services are unable to stem the flow of pilots to airline cockpits with the Air Force being most at risk with a 15 percent pilot shortage, over 2,000 pilots, projected for fiscal year 2002.

District Offices: 120 East Mulberry Street, Room 106 • Kokomo, Indiana 46901 • (317) 454-7551 204A North Main Street • Monticello, IN 47960 • (219) 583-9819 This may not be a retention crisis, but it is not an environment that we can allow to go unattended. DOD and the Congress must act quickly if we hope to keep the services' retention programs from becoming a very slippery slope to a hollow force.

In addition to retention, the services are struggling to find recruits to man the all volunteer force. Up to now, the services' response to a difficult recruiting environment has been to reduce recruit quality—both the Army and the Navy have lowered recruit quality standards and the Air Force and Marine Corps have seen recruit quality erode. I do not believe that lower quality is a long term solution. I now understand that the Secretary of the Army, Louis Caldera, has announced his intention to establish education standards below the DOD standard. I am troubled by his announcement and very concerned that we are moving in the wrong direction on recruit quality.

The DOD and the Senate have offered pay and retirement packages to address retention concerns. The DOD calculates that their proposal would add \$24.5 billion to pay and retirement programs. DOD calculates that the Senate package would increase the administration plus-up by another \$10.5 billion.

Because of the very large investments involved, this Subcommittee intends to closely examine the proposals to make certain that tax dollars are spent in the most effective and efficient manner possible. There is already some evidence that the DOD proposal will not solve the Navy's retention concerns. We need to be certain that the final solution will get the job done. Today's hearing is our first step in that deliberative process.

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